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SIPDIS

DEPARTMENT FOR EUR/CE

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TAGS: PGOV PREL IZ GM

SUBJECT: PM MALIKI VISITS GERMANY TO ENHANCE COOPERATION

REF: A. BERLIN 950

B. BERLIN 1001

Classified By: CDA John Koenig. Reasons 1.4 (B) and (D).

¶1. (U) SUMMARY: Iraqi PM Nouri al-Maliki visited Germany on July 22-24 to encourage German politicians and industry to increase their cooperation with Iraq. He underscored that the security situation has dramatically improved in Iraq over the last six months and invited the German government to establish additional consulates in Iraq, industry to resume economic ties, and Iraqi refugees to return to the country. The German government announced it will open a consulate general in the northern city of Erbil and expressed hope that economic relations between both countries will thrive. Maliki also emphasized that Iraqi Christians are not discriminated against in Iraq. END SUMMARY.

Security Situation in Iraq Improved

¶2. (U) Maliki's July 22-24 visit to Berlin successfully managed to promote an even-handed picture of the improved security situation in Iraq while he pressed for additional investment and reconstruction efforts. "We are therefore looking to our friends, first of all to Germany, for increased involvement" he said after a meeting with Chancellor Angela Merkel. He added that the Saddam dictatorship prevented Iraq from developing its many resources. He also emphasized that Iraq is now in a position to take care of its own security, which Chancellor Merkel cautiously welcomed.

Political Cooperation

¶3. (C) Karl Matthias Klause, Deputy Head of the Near East, Asia, Africa, and Latin America Office at the Chancellery, described the dynamics between Maliki and Merkel as friendly and open and noted that the Chancellery had been working on this visit since the beginning of the year. (NOTE: The MFA was basically unininvolved in arranging the trip. End Note.) Klause complained that the German Embassy in Baghdad is too small and was thus ineffective in arranging both Maliki's trip to Berlin and German EconMin Glos' recent trip to Baghdad (Ref A). He expressed appreciation for USG help on logistics and security arrangements. The Chancellery also expressed hope that the German diplomatic presence in Iraq will increase.

¶4. (SBU) During Maliki's visit, the Chancellor noted that she is particularly interested in helping develop Iraq's federal system, as well as providing assistance in training civil servants. Maliki asked Germany to establish a German-Iraqi university in Iraq and to open a Goethe Institute office so that Iraqi students can learn German and be sent to Germany. "The question of education is enormously important to us," Maliki said during a press briefing.

¶ 15. (C) Maliki also met with Foreign Minister Steinmeier, who underscored shared responsibility for Iraq's reconstruction. The MFA announced that Germany will "upgrade" the recently-opened embassy branch office in Erbil into a full consulate general. The PM also pressed for the opening of an additional consulate in Basra, which MFA Iraq Unit head Ruediger Lotz noted received a reserved reception from the MFA, although Steinmeier did not rule it out for the future.

¶ 16. (C) According to Klause, Steinmeier was "not happy" about EconMin Glos' visit to Iraq, since Glos had gone before Steinmeier. Lotz noted that domestic political and internal SPD party concerns have prevented Steinmeier from traveling to Iraq. Klause also said that it is important to overcome any rift in the West regarding Iraq, in order to provide stability for the Iraqi government and signal to "Iraqi groups" that the West is not divided. He said that the MFA was still not considering a Steinmeier visit and that Glos would likely go again soon with a business delegation (ref B). Klause did not think that Steinmeier would make a trip to Iraq before a second visit by Glos and said the two definitely would not travel there together.

Economic Cooperation

¶ 17. (U) As reported in Ref A, a great deal of Maliki's schedule focused on the topic of economic cooperation. He met with representatives of 70 German companies interested in investing in Iraq while here. The PM emphasized that Iraq's investment law protects foreign investments. Merkel suggested that Iraq and Germany have a mutual interest in

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enhancing economic cooperation, emphasizing Germany's need for Iraq's natural resources and Iraq's need for German technological know-how. She highlighted German interest in sectors such as renewable energy and infrastructure.

¶ 18. (C) Thomas Lenferding, MFA Iraq desk officer reported that the economic angle of the Maliki visit was the most important. He noted that improving the security situation is vital in this regard and added that despite the fact that U.S. forces were responsible in large part for the improved security situation, Maliki did not make this clear during his visit. Lenferding said the MFA will continuously review the security situation.

Situation of Refugees

¶ 19. (C) Maliki called on Iraqi emigrants of all religions to return to Iraq, underscoring that the Iraqi economy needs educated people. Deputy National Security Adviser Rolf Nikel told us the German position now is to try to delay an EU decision on accepting refugees. Nikel believes EU interior ministers also favor postponement of a decision. He said Germany would like to try to help stop any brain-drain, "provided the security situation continues to improve." Referring to the situation of Iraqi Christians, Maliki said there is no discrimination against Christians. Merkel added that the German government will consider the Iraqi government's plans for a Refugee Resettlement when considering the admission of Iraqi refugees into Europe.

¶ 10. (C) Comment: With positive press, friendly meetings with political figures, and a large dose of investment salesmanship, PM Maliki's first visit to Germany was a further, important step toward changing the image on Iraq among German media, political, and economic elites. The visit is part of an emerging trend over the past six months of positive German reengagement with Iraq. As the German presence in Iraq -- both official and economical -- increases, we shoyld step up our efforts to encourage Germany to do more. Among other things, we need to continue persuading the Foreign Office to become more constructive and

offer greater support to private and official initiatives
inside Iraq.

KOENIG